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Two say Rewald deals were made in friendship

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Honolulu, Hawaii — Two Milwaukee residents told a Federal Court jury Tuesday that they entered money-losing deals with Ronald Rewald because they trusted him as a close personal friend.

Both said they were impressed with Rewald's lifestyle, and his claims to have graduated with a business degree from Marquette University and to have played professional football.

Frank J. Bevsek, a funeral director for 23 years in the Milwaukee area, said he met Rewald in 1960 when they were attending Milwaukee Area Technical College.

Bevsek said that in 1976 he invested \$25,000 in Consolidated Mutual Investment Inc., joining Rewald in an attempt to rebuild the Riverside Athletic Co. The effort failed, Rewald departed for Hawaii, and Bevsek lost his investment, he said.

Bevsek said he had no idea that Rewald took a successor company, C.M.I. Inc., to Hawaii and merged it with a firm called Bishop Baldwin Rewald Dillingham & Wong.

The collapse of Bishop Baldwin in 1983 led to state and federal criminal charges against Rewald that \$22 million in investors' funds was obtained under false pretenses.

Rewald admits receiving the mon-

ey and spending much of it on himself, but says it was all to preserve his "cover" as a wealthy businessman while actually spying for the CIA, which the agency disputes.

Wesley Vogt, a Milwaukee psychiatrist, said he met Rewald in 1972, became close friends with him, and later invested \$20,000 in a Hawaii retail sporting goods store with Rewald.

Vogt said he knew of Rewald's 1976 bankruptcy and the bankruptcy of a firm in which Rewald was involved, College Athletic Supply. But he said he felt Rewald had just had bad luck.

Vogt said he thought Rewald also was putting up money for his new Hawaii sporting goods venture in 1976.

When he asked where Rewald was getting the money after having gone through bankruptcy, Vogt recalled that Rewald told him "he had some money put away and had put some cars in the name of a relative so they couldn't be taken by the bankruptcy."

Both men said they were impressed with Rewald's lakefront house in Mequon, his stories of associations with water-ski show impresario Tommy Bartlett, and his string of expensive cars, including a Cadillac, two Corvettes and a Thunderbird.